



General Assembly

January Session, 2003

Amendment

LCO No. 6421

SB0112306421SD0

Offered by:

SEN. MURPHY, 16th Dist.

To: Subst. Senate Bill No. 1123

File No. 422

Cal. No. 278

"AN ACT CONCERNING ACCESS TO LOW-COST PRESCRIPTION DRUGS."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2003*) (a) There is established,
4 within the Connecticut Health and Educational Facilities Authority, a
5 revolving loan program for the purpose of providing loans to federally
6 qualified health centers in this state to establish pharmacy facilities or a
7 contract pharmacy arrangement with a community pharmacy or other
8 pharmacy contractor in accordance with this subsection. Such program
9 shall be funded by the authority in an amount not to exceed five
10 hundred thousand dollars and such amount shall be deposited in the
11 account established pursuant to subsection (b) of this section. The
12 program shall be administered by the authority to provide loans to
13 federally qualified health centers for the cost of establishing a
14 pharmacy facility or a contract pharmacy arrangement with a
15 community pharmacy or other pharmacy contractor to serve as a

16 centralized prescription drug distributor for federally qualified health
17 centers in this state that have established affordable pharmaceutical
18 drug programs for qualified low income patients of such centers
19 pursuant to Section 340B of P.L. 102-585.

20 (b) (1) There is established the federally qualified health centers loan
21 account that shall contain any moneys required by law to be deposited
22 in the account pursuant to subsection (a) of this section, and may
23 contain any other funds as provided in subdivision (2) of this
24 subsection. Any balance remaining in the account at the end of any
25 fiscal year shall be carried forward in the account for the fiscal year
26 next succeeding. Payments made on any loans made pursuant to this
27 section shall be deposited in the account. Any investment earnings in
28 the account shall be retained in and used for the purposes of the
29 account.

30 (2) The authority may accept contributions from any source, public
31 or private, for deposit in the account for purposes of such program.

32 (c) A federally qualified health center may apply for a loan pursuant
33 to this section for not more than one hundred twenty-five thousand
34 dollars. Such loan shall be for a period of not less than four years, and
35 not more than ten years. The proceeds of such loan shall be used for
36 the purchase or lease of computers, related software applications,
37 consulting, automated medication dispensing equipment, inventory,
38 working capital and other costs associated with the establishment of a
39 pharmacy facility or a contract pharmacy arrangement. Such loans
40 shall have such other terms and conditions and shall be subject to such
41 eligibility, loan approval, credit and other underwriting requirements
42 and criteria as are prescribed by the authority pursuant to subsection
43 (g) of this section.

44 (d) On or before October 1, 2004, and annually thereafter, the
45 authority shall submit to the joint standing committee of the General
46 Assembly having cognizance of matters relating to public health a
47 report, in accordance with section 11-4a of the general statutes, setting

48 forth the following information: (1) A description of the pharmacy
49 facilities or contract pharmacy arrangements receiving loans under this
50 section, the general terms of such loans and the repayment rates of
51 such loans; (2) an assessment of the impact of such loans on the
52 number of prescriptions that are sold at the federal supply schedule
53 price for prescription drugs; (3) the need for additional funding for the
54 loan program authorized by this section; (4) estimated savings to the
55 state and to patients by filling prescriptions through facilities receiving
56 loans authorized by this section; and (5) such other information as the
57 authority deems relevant to evaluating the success of the loan program
58 in expanding access to the federal supply schedule rate for prescription
59 drugs.

60 (e) In connection with the making and administration of loans
61 pursuant to this section, the authority shall have and may exercise
62 such powers as are necessary or appropriate to carry out the purposes
63 of this section, including the same powers expressly granted to the
64 authority in section 10a-180 of the general statutes, with respect to
65 loans to health care institutions generally.

66 (f) No loan may be made pursuant to this section after June 30, 2008,
67 and any moneys then remaining in, or thereafter received to the credit
68 of, the account established in subsection (b) of this section may be
69 withdrawn by the authority from such account and used for other
70 purposes of the authority, subject to specific restrictions governing any
71 contribution to such account pursuant to subdivision (2) of subsection
72 (b) of this section.

73 (g) The authority shall adopt written procedures, in accordance with
74 section 1-121 of the general statutes, to carry out the provisions of this
75 section.

76 Sec. 2. (NEW) (*Effective October 1, 2003*) (a) The Commissioner of
77 Social Services shall assist any federally qualified health center that is
78 applying for a loan pursuant to section 1 of this act by providing
79 nonindividual identifying information concerning potential

80 participants in the affordable pharmaceutical drug program.

81 (b) Not later than October 1, 2004, and annually thereafter, the
82 Commissioner of Social Services shall submit a report, in accordance
83 with section 11-4a of the general statutes, to the joint standing
84 committees of the General Assembly having cognizance of matters
85 relating to public health, human services and appropriations and the
86 budgets of state agencies, providing an estimate of the savings to the
87 state if all federally qualified health centers were participating in an
88 affordable pharmaceutical drug program, and the actual savings to the
89 state from affordable pharmaceutical drug programs established by
90 federally qualified health centers."

This act shall take effect as follows:	
Section 1	<i>October 1, 2003</i>
Sec. 2	<i>October 1, 2003</i>